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Ad Interim Report

of the

Retrenchment Committee of the Government of Bombay

1931

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AD INTERIM REPORT OF THE RETRENCHMENT COMMITTEE OF THE GOVERNMENT OF BOMBAY, 1931

On Monday, March 2nd, 1931, the Honourable the Finance Member announced in the Legislative Council that he would advise Government to appoint a Retrenchment Committee consisting of two officials and five non-officials. A few days later, on March 6th, he made a further announcement regarding the personnel of this Committee, which was appointed by Government "to enquire into the possibility of reducing provincial expenditure". The personnel as finally approved by Government was as follows:—

Official Members

The Honourable Sardar Sir Rustom Vakil, Kt., Minister for Local Self-Government.

Mr. G. Wiles, C.S.I., C.I.E., I.C.S., Secretary to the Government of Bombay, Finance Department.

Non-Official Members

Mr. J. Humphrey, O.B.E.

Khan Bahadur Allahbaksh Haji Mahomed Umar.

Mr. Hoosenally M. Rahimtoola.

Rao Bahadur D. R. Patil.

Mr. P. R. Chikodi.

Mr. B. S. Kanat.

Mr. G. B. Phanse, Assistant Secretary, Finance Department, was appointed to act as Secretary to the Committee; while, during the Poona sittings, the services of Mr. C. H. Bristow, I.C.S., Settlement Commissioner and Director of Land Records, were put at the disposal of the Committee, as a Special Officer.

2. During a very early stage of our discussions we decided that our work could best be dealt with by dividing it into two categories: (1) proposals for immediate retrenchment to deal with the deficit of 61 lakhs in the current year, and (2) proposals for permanent retrenchment. The present report deals only with the former aspect of the question and we submit it at the earliest possible date in order that Government may be in a position to issue orders as soon as possible and so effect as large a saving as the lapse of part of the current year will allow. The same consideration also weighed with us in forwarding to Government, before our investigations were complete, several suggestions regarding restriction of leave and transfers, curtailment of touring and a general tightening up of the leave rules of the Vacation Departments. The letters which we sent to Government embodying our recommendations in these matters will be found in Appendix A.

3. In order that all avenues of retrenchment should be explored, we invited suggestions from a number of non-official members of the Legislative Council. We wish to acknowledge with gratitude the assistance given us by those members who responded to our request. Some of the suggestions made by them will be found to be covered by our recommendations. Some others have been reserved for consideration as measures of permanent retrenchment.

4. We felt, when we began our investigations in Bombay, that our work would be facilitated by immediate consultation with the Heads of Departments. A circular was therefore issued by us to all Heads of Departments and officers asking for proposals for savings and suggesting a standard 6 per cent reduction of expenditure. As a result of this circular and the subsequent discussions which we had with some Heads of Departments, who at the invitation of the Committee appeared personally before us, the savings indicated in Appendix B have been found possible. In some cases promises of savings have been made but the exact amounts have not been stated and so could not be included.

5. It is necessary to deal in detail with some of the more important questions raised on various departmental budgets and with items that received special attention.

PUBLIC WORKS DEPARTMENT.

6. We include in our recommendations a cut of Rs. 56,600 under Roads and Buildings. Further reports on the subject are still to be received. We are unable to suggest a curtailment of the grants for maintenance of communications in view of the application of Government to the Government of India to be permitted to divert the Provincial share of the petrol tax to expenditure on maintenance of roads, since we understand that the underlying condition of the application is that such relief was not to be used in reducing what would be considered the normal expenditure on roads during the current year. A proposal has however been put to us that the entire expenditure of Rs. 15 lakhs for the Tapti Valley Project should be charged to the Petrol Fund. This would save the whole of the interest on this sum (amounting to about Rs. 94,000), and we are strongly in favour of this being done.

7. As regards Irrigation the possibility of combining the Development and Research Circle with the Deccan Irrigation Circle was discussed by us. The Department regards the suggestion as impracticable; but they point out that the cost of experiments in the Development and Research Circle has been heavily reduced and staff has been amalgamated. It is further claimed that experiments in hydrodynamic work have saved Rs. 25 lakhs in the last eight years in the cost of irrigation works in Sind, and it is hoped to effect a cut of Rs. 20,000 this year in the departmental expenditure. As there is no possibility of effecting any further economy in the current year, we have deferred further investigation of this question to our later report.

8. In the Deccan, the Nira Valley Project is estimated to cost 132 lakhs. It has been reported to us by the Department that if alterations and improvements costing 32 lakhs were carried out on both canals, this would result in such saving of water that the Vir Reservoir Scheme, estimated to cost a crore of rupees, would be rendered unnecessary. Out of this sum of 32 lakhs, an expenditure of 25 lakhs has already been incurred. In view of this report, we are of opinion that the Vir Scheme should be abandoned. The resultant saving in interest charges in future years will be very considerable.

9. Out of the balance of 7 lakhs referred to above Rs. 4,39,000 is the cost of constructing branches 2 and 3 at the tail of the Nira Right Bank Canal in Malsiras and Pandharpur Talukas. Branch No. 1 already irrigates most of Malsiras Taluka and the main canal if joined to the Mhaswad Canal will greatly increase the supply of water and irrigate the south part of Pandharpur. A Conference of District and Irrigation Officers, to whom we referred this question, expressed the opinion that with the exception of this linking up with the Mhaswad Canal, the rest of the construction work on Branches 2 and 3 should be deferred. We accept this opinion, and recommend the saving in the present budget of Rs. 3,83,000 in the Head 55: which is equivalent to a saving in debt charges of about Rs. 25,000.

10. We discussed in some detail the question of the large temporary staff in the Public Works Department. It was pointed out to us that the existence of this temporary staff in the permanent Divisions was an anomaly, and the Retrenchment Officer, in 1926, was convinced that this staff should be made permanent. It seems probable that the making permanent of the bulk of this temporary staff will not effect any saving. But we propose to discuss the whole question of temporary establishments when further information has been obtained, not only with reference to one particular Department, but other Departments as well.

11. One of our colleagues raised the general question of handing over the management of certain roads to District Local Boards. We have however decided to postpone consideration of this item till we are shown that this is likely to result in economy.

12. In addition to the above savings we recommend the postponement of the following works:—

Budget Head 41:—

		Rs.
Presidency Excise Buildings	...	22,900
Hyderabad Jail	...	7,000
Surat Quarters for 12 Constables	...	6,600
Shikarpur Canals Quarters for Police	...	25,000
Superintending Engineer, C. C., Repairs to buildings	...	92,800
Total	...	1,54,300

13. Under the loan heads 55, 59 and 60, we recommend postponement of expenditure totalling Rs. 6,24,000. Such postponement will effect a saving in loan charges of about Rs. 43,000.

14. It will be noticed from the above and from the summary of surrenders given by officers (Appendix B) that only the Superintending Engineer, Central Circle, has proposed to cut down substantially the repairs grants to buildings. We recommend that the total grants under this head, excepting the Electrical Division where a smaller cut is indicated, should be cut down by 15 per cent, and would leave to the Department the distribution of the reduced grant over the classes—residential and non-residential. The resulting savings are estimated to be Rs. 2,63,000. This includes the Rs. 93,000 already surrendered by the Superintending Engineer, C. C.

15. We have already made a recommendation to Government (*vide* Appendix A) that discretionary grants should be reduced and have suggested the possibility of a 50 per cent reduction. Some of the reductions under this head have already been included in the surrenders proposed by officers. The balance of savings is estimated at Rs. 1 lakh.

16. We have considered very carefully the question of the retention or abolition of the post of the Superintending Engineer, Public Heath. We obtained evidence on this subject from the Secretary to Government, General Department, and from the Secretary, Public Works Department. It is reported that the officer concerned does at present not only highly specialized work of superintendence, but carries out also some works in an executive capacity. The Department has in progress some 17 major works on behalf of local authorities; and we are satisfied that since it is not possible at present to hand over the control of the works to the district staff of engineers, his appointment must be retained for the current year. We will however revert to this matter when dealing with measures of permanent retrenchment.

17. Similar evidence was also put before us regarding the office of the Consulting Architect. We consider that the employment of this officer is economical only as long as he is fully occupied. We realize however that no recommendations which we could make under this head at this stage would bring in any relief in the current year. We have therefore agreed to deal with this subject in our later reports.

EXCISE DEPARTMENT

18. We had an opportunity of examining in great detail the Commissioner of Excise and we agree that the cuts proposed by him totalling Rs. 53,690 should be accepted. The Commissioner thought that further savings in expenditure and a certain amount of betterment in revenue were possible in his department, but it is not possible to mention any definite amount in this connection.

FOREST DEPARTMENT

19. The Chief Conservator of Forests who gave evidence before us, pointed out that the Department had been very heavily cut down

and was at present undermanned. By cutting down departmental works and similar other items, he has agreed nevertheless to reduce expenditure by nearly Rs. 1,38,000. Further cutting down of works in this Department is likely to affect revenue detrimentally. Under these circumstances, we feel that there is little chance of any immediate savings in this department except perhaps in the item of passages, cost of which is put down at Rs. 23,000 in the current year. Further investigation into the working of the Department will be made.

EXECUTIVE COUNCIL AND MINISTERS

20. There are at present 4 Members of the Executive Council and 3 Ministers, making a total of seven. A majority of the Committee are of opinion that the total should be reduced to four, and that there should be two Members and two Ministers. It is believed that such reduction would not only save money but would facilitate work, obviating as it would do references to so many different persons. There would also be a certain amount of saving in the menial and general clerical establishment. We recommend that this reduction should be brought about as soon as possible and that at any rate no vacancies should be filled up until the total number of appointments has been reduced as proposed. We think it necessary to record that the Chairman does not associate himself with this recommendation and did not take part in the discussion. Rao Bahadur Patil is strongly opposed to this proposal. He thinks that since the new reformed constitution will contain no Executive Councillors but only Ministers, we should not by a recommendation to reduce the number of Ministers, violate the spirit of the new constitution in advance.

DISTRICT LOCAL BOARD GRANTS

21. When the management of District Local Boards was handed over to non-officials in 1921 Government decided to make an annual grant of Rs. 5,000 to each board to pay for the staff of account clerks and peons who had formerly been part of the Collector's establishment. Government continued the subsidy in 1923 when the new Local Boards Act was passed. As District Local Boards have now had ample time to get into working order under non-official management, a majority of us recommend that this grant may be reduced by 25 per cent. The total budget provision on this account during the current year is Rs. 1,35,000. The extent to which savings would be possible from this amount depends on a number of considerations, such as the period of notice and the date on which orders are passed. We think however that an estimate of Rs. 15,000 would be justifiable.

HOME DEPARTMENT

22. It will be noticed from the summary of surrenders offered by officers that the Inspector-General of Police reports the possibility of reducing his grants for the current year by an amount of Rs. 1,62,000. We accept this figure for the time being. We had an opportunity of examining the Inspector-General with reference to further reductions

in his budget; but at the time of submitting this report we have not been able to obtain from Government the further information we require. Our investigations therefore do not permit of any definite recommendation at present. We will however revert to this Department in the course of our later report. In the meanwhile, we recommend the following changes in certain other matters within the purview of the Home Department.

23. After discussion with the Department we propose a reduction in the rates of bhatta to witnesses. The rates prevailing at present and the revised rates which we now recommend are shown in Schedule I attached to this report. We are of opinion that these revised rates should be brought into force at once. We further recommend a revision under the head "Travelling Allowances to witnesses" of the existing rates which are regulated by High Court Circular No. 18 (3) and are shown, along with our proposed changes, in Schedule I.

24. During our early sittings, we made several suggestions to departments of Government which seemed to call in our opinion for further investigation. In response to one such suggestion the Remembrancer of Legal Affairs reports that Government have decided to reduce by 10 per cent the daily fees payable to Public Prosecutors under Rule 45 of the Law Officers Rules. In this connection we had at one time considered the advisability of taking the High Court administration under our detailed examination For the present, however, we are content to deal only with one aspect of the question: it has been shown to us that while the Original Side of the High Court brings in a certain amount of revenue, the Appellate Side is worked at a loss. We understand that this is due to the low stamp duty charged on appeals. It is also reported that no duty is levied on appeals from Aden. We recommend by a majority that Government should consider the revision of the Stamp Duty in both these instances.

PESHWA'S DAFTAR

25. There remains, in the list of new items in the current year's budget, one item which a majority of us feel cannot be regarded as essential in our present financial condition—the selection and publication of documents from the Peshwa's Daftar. A majority of us recommend, Mr. Kamat dissenting, that Government should withdraw the grant on this account.

EDUCATION

26. We have given careful consideration to the question of cutting the grants under this head. We propose to make further investigations before making our final recommendations. In the meanwhile, however, we offer the following suggestions for immediate action.

27. We approve of the proposal put to us that a saving of Rs. 50,000 is possible during the current year if scholarships which fall vacant are not filled up. Our approval is however subject to the proviso that the interests of the backward communities should not suffer by such a step.

28. One of our colleagues raised the question of stipends given by Government to teachers in the various training colleges. Our information is that this kind of training is in great demand, and that numbers of teachers are in a position to pay their way without the assistance of any extraneous body; this being so, there is no reason why Government should continue this subsidy. We therefore recommend that the grant for stipends should be reduced and estimate a probable saving of Rs. 2,500.

29. A reduction of 5 per cent has been made in the budget in the grants for primary education. A majority amongst us is of opinion that there is no valid reason why this reduction made in the grant for primary education, which in their opinion is of greater importance, should not be extended to secondary education and colleges. On the other hand, the minority feels that a reduction of these grants would have such a crippling effect on the secondary schools that they would not be able easily to recover. The annual saving from the recommendation would amount to nearly Rs. 2,08,000.

30. The budget provision for "Reforms" is Rs. 4 lakhs this year. We think it very unlikely that the whole of this amount will be spent in the current year and we propose that this estimate be reduced to 1 lakh.

PUBLIC SERVICES

New Entrants

31. During our earlier sittings in Bombay we examined the scales of pay proposed by the Finance Department for new entrants to the Provincial Services. These scales, together with the emendations made therein by us, are shown in Appendix D. With reference to the lower services, in order to avoid detailed revisions of a large number of scales, we have already recommended to Government that all new entrants to these services should be paid on the present scales of pay, subject to a deduction of 2 annas in the rupee.

Present Incumbents

32. The question of effecting temporary reductions in the salaries of the present Government servants engaged our attention for a long time. The effect on the feeling of security of the Services cannot be ignored. But we believe that extraordinary action of this kind has now become absolutely essential to maintain financial equilibrium. The present general depression has in our opinion affected the earnings of all classes of society and we see no reason why Government servants should not share in the burden. We consider our recommendations further justified by the facts that there has been a great fall in commodity prices, and that the rise in salaries given to all Services alike after the war was granted in consequence of the general rise in the cost of living, and could equally well have been given in the form of a cost of living bonus. At the same time we recognize that all salaries from top to bottom must be dealt with simultaneously in the interests of equity and that statutory difficulties if any in the way of

doing this must be left to the authorities to deal with. This having been agreed to our difficulty lay in devising percentages of reduction which in our opinion would distribute the burden equitably.

33. We recognize the force of the twofold argument put before us that in the first instance the fall in prices has benefited mainly the lower salaried servants, and that in the second instance salaries of over Rs. 166 a month have already been subjected to progressively increasing reductions by the emergency income-tax proposals of the Government of India. Without ignoring these considerations the following four members, viz. Mr. Kamat, Mr. Chikodi, Rao Bahadur Patil and Mr. Rahimtoola, consider it undesirable to deprive the lowest ranks of the advantage given to them by the fall in commodity prices and propose to exempt all salaries below Rs. 40 in the mofussil and Rs. 60 in Bombay. Above this level they recommend the following cuts:—

Monthly pay

Up to Rs. 199	...	5 per cent
From Rs. 200 to 499	...	6¼ ,,
From Rs. 500 to 999	...	7½ ,,
Rs. 1,000 and above	...	10 ,,

The estimated saving in a year is Rs. 25½ lakhs.

The Chairman prefers the following scale:—

up to Rs. 40	...	3⅛ per cent
above Rs. 40 up to Rs. 499	...	5 ,,
above Rs. 500 up to Rs. 1,499	...	6¼ ,,
Rs. 1,500 and above	...	7½ ,,

Estimated saving * Rs. 26½ lakhs.

Mr. Wiles and Khan Bahadur Allahbaksh consider that in view of the great increase in the income-tax, which was admittedly put on as a means of reaching salaries which could not otherwise be reduced, the maximum cut should not exceed 6¼ per cent and their scale is therefore—

Up to Rs. 40	...	3⅛ per cent
Above ,, 40 to Rs. 499	...	5 ,,
Above ,, 500	...	6¼ ,,

Estimated saving about * Rs. 25½ lakhs.

* These two estimates have been worked out as approximately as possible, in view of the difficulty that we did not have readily available separate figures for salaries below Rs. 40 and of salaries between Rs. 1,000 and Rs. 1,500 and those over Rs. 1,500.

Mr. Humphrey disagrees with any cut in salaries which will result in Government breaking their pledges to the All-India and Provincial Services. Such action would, in his opinion, be disastrous not only morally but also from the point of view that it would create a precedent which may be brought forward as an argument successfully in the future. He would therefore prefer to restrict the cut to allowances. If, however, a cut can be made without breaking any pledge or contract he is in favour of the cut of—

Up to Rs. 40	...	Nil.
Rs. 41 to Rs. 499	...	5 per cent
Above Rs. 500	...	6¼ ,,

34. He further suggests that the Government of India should be asked to pay to the Provincial funds the additional Income and Super Tax which will be collected from Government services in this Presidency.

35. We are agreed that for the purposes of this cut "special pay" should be included in pay. We are further agreed that the cut should be a temporary one and should be made up to the end of the financial year 1932-33.

36. The total cost to Government of salaries worked out in 1928-29 was :—

		Rs.
Pay below Rs. 40 p. m.	...	150 lakhs.
„ 40 to 59 p. m.	...	41 „
„ 60 to 199 „	...	144 „
„ 200 to 499 „	...	67 „
„ 500 to 999 „	...	44 „
Above „ 1,000 „	...	91 „
		Rs. 537 lakhs.

37. We recommend that if any cut in salaries is carried out, similar cuts should be enforced in the case of local bodies which receive grants-in-aid from Provincial revenues.

38. We wish it to be understood that the percentages we have proposed above are intended to give a general indication of our attitude. There might in practice be found instances where adjustment will have to be made in the interests of equity in the salaries on the marginal line. We prefer to leave it to Government to adjust these inequalities in the manner they deem fit.

39. We have investigated the question of allowances and find that all permanent travelling allowances above Rs. 75 per month and all other travelling allowances have been cut down last October. We are of opinion that this cut should now be extended. Permanent travelling allowances below Rs. 75 and above Rs. 10 should, in our opinion, be reduced by 10 per cent. Almost all other allowances we find to be in the nature of compensatory allowances. We recommend all allowances partaking of the nature of compensatory allowances should be subjected to a 10 per cent cut. We would however exempt from this cut such allowances as have already been cut to this extent. The reduction should be so effected that no allowance would fall below Rs. 10 per mensem. We would also leave entirely untouched those allowances which were in existence before 1919, and have not been increased since then. Two members of the Committee are in favour of a higher cut

40 Our recommendations detailed above are, as we have made clear, intended in the main to reduce the current year's deficit. We estimate that they will entail definite savings this year of Rs. 28,66,400. But apart from these definite items we have made several suggestions, the savings of which cannot be computed exactly. We should not,

therefore, be unwarranted in assuming that our proposals, apart from reduction in salaries, would save about 30 lakhs this year. The extent of savings under salaries depends on the date at which orders are passed on the subject.

POONA:
22nd July 1931.

(Signed) RUSTOM JEHANGIR VAKIL.
,, G. WILES.
,, B. S. KAMAT.
,, P. R. CHIKODI.
,, J. HUMPHREY.
,, *HOOSENALLY M. RAHIMTOOLA.
,, ALLAHBAKSH.

Note.—At the time of going to Press Rao Bahadur D. R. Patil's signature had not been obtained.

* Subject to a minute of dissent.

Minute of Dissent by Hoosenally M. Rahimtoola

I am not in favour of measures which would check the spread of education. I am not convinced that all other possible directions in which retrenchment could be effected have been fully explored. I do not agree with the recommendation in paragraph 37.

Bombay, 14th July 1931.

HOOSENALLY M. RAHIMTOOLA.

APPENDIX A

I

No. 1849-B

OFFICE OF THE RETRENCHMENT COMMITTEE:
Bombay Castle, 16th April 1931.

From

G. B. PHANSE, ESQUIRE, B.A. (OXON), J.P.,
Secretary to the Retrenchment Committee;

To

THE SECRETARY TO THE GOVERNMENT OF BOMBAY,
Finance Department.

Sir,

I am directed by the Chairman and Members of the Retrenchment Committee to address you as under.

As a result of their discussions, the Committee have decided that the recommendations which they would make should be divided into two categories, viz. (1) Retrenchment of a temporary nature, intended to be effective for the current year and designed primarily to cover the deficit for this year; and (2) Retrenchment of a permanent nature affecting a longer period. The Committee desire that under the first category a reduction of provincial expenditure to the extent of 60 lakhs should be aimed at and that the attention of all Heads of Departments should be drawn to this fact. I am therefore to request that Government may be pleased to issue instructions to all Controlling Officers to exercise the greatest circumspection in incurring expenditure, pending suggestion for retrenchment.

I am to add that the Committee would be very grateful if they were kept informed of the action taken on this letter.

I have, etc.,
(Sd.) G. B. PHANSE,
Secretary to the Retrenchment Committee.

II

No. 1849-B

OFFICE OF THE RETRENCHMENT COMMITTEE:
Bombay Castle, 27th April 1931.

From

G. B. PHANSE, ESQUIRE, B.A. (OXON), J.P.,
Secretary to the Retrenchment Committee;

To

THE SECRETARY TO THE GOVERNMENT OF BOMBAY,
Finance Department.

Sir,

The Retrenchment Committee examined at one of their sittings the list of new minor works costing more than Rs. 5,000 and proposed to be financed in the current year from the discretionary grants under the head "41, Civil Works—Provincial". On a perusal of the items put before them the Committee came to the conclusion that at least 50 per cent of the works under this head could probably be postponed without risk. I am therefore directed to request you to consider the possibility of ordering a reduction of budget grants at once under this head to the extent of 50 per cent. In respect of the balance I am directed to request that Government may consider the advisability of directing that the officers controlling these discretionary grants should be asked to submit a list of works which they consider to be of imperative necessity and that they should postpone all other works.

I have, etc.,

(Sd.) G. B. PHANSE,
Secretary to the Retrenchment Committee.

III

No. 1849-B/1

OFFICE OF THE RETRENCHMENT COMMITTEE:
Poona, 12th June 1931.

From

G. B. PHANSE, ESQUIRE, B A. (OXON), J.P.,
Secretary to the Retrenchment Committee;

To

THE SECRETARY TO THE GOVERNMENT OF BOMBAY,
Finance Department.

Sir,

I am directed by the Chairman and members of the Retrenchment Committee to convey the following requests to Government:

The Committee have now been sitting for some time past and have found, during the course of their discussions, that there are a number of directions in which, pending more detailed inquiries, there seems to be scope for economy. They have therefore decided that these points should be brought before Government forthwith so that immediate action can be taken thereon. I am particularly to mention the following:—

(1) In the opinion of the Committee, considerable savings could be effected by restricting leave to only very urgent cases.

(2) Posts which fall vacant owing to leave or other reasons should, as far as this is possible, not be filled up.

(3) The Committee feel that there is room for the leave rules of the vacation departments to be tightened up, and that at any rate in the case of the Subordinate Courts, the vacations are too long.

(4) The Committee agree with the proposal put to them that all new entrants to the subordinate services should be given the existing scales of pay subject to a deduction of 2 annas in the rupee.

(5) Touring should be curtailed as far as possible. The Committee are aware that in many instances the travelling allowances given to touring officers are fixed; they feel nevertheless that economies could be effected in this matter by curtailing touring and effecting savings on such items as cartage.

(6) Transfers of officers should be restricted.

(7) "Diet and Road Money to witnesses" is an item that admits of considerable reduction in the matter of maxima.

(8) The Committee feel that officers on the verge of retirement should not ordinarily be given extensions.

I am to request that Government may be moved to issue orders on the lines indicated above as early as possible.

I have, etc.,
(Sd.) G. B. PHANSE,
Secretary to the Retrenchment Committee.

APPENDIX B

Estimated savings offered in replies to the Committee's letter

		Rs.
Finance Department	...	14,900
Political Department	...	4,800
Legal Department	...	400
General Department	...	3,500
Revenue Department (chavdis)	...	40,000
Separate Department	...	5,000
Inspector-General of Prisons	...	1,12,000
Inspector-General of Police	...	1,66,000
Military Secretary to His Excellency the Governor	...	16,000
Director of Agriculture	...	51,300
Director, J. J. School of Art	...	1,300
Principal, Veterinary College	...	3,800
Resident, Aden	...	4,800
Consulting Architect	...	300
Director of Industries { Technical Education	...	1,400
Director of Industries { Industries	...	7,800
Police Surgeon, Bombay	...	3,900
Superintendent, C. V. D.	...	4,400
Director of Land Records	...	15,600
Superintendent of Land Records, Sind	...	6,800
Electrical Engineer	...	35,900
Salt and Excise, Sind	...	17,700
Chief Engineer, Lloyd Barrage	...	60,500
Director of Information	...	28,000
Superintending Engineer, Public Health, Dapuri	...	1,700
Superintending Engineer, N. C.	...	2,500
Commissioner of Police, Bombay	...	25,800
Commissioner in Sind (excess grants to D. L. Boards)	...	9,400
Factory and Boiler Department	...	24,700
Director of Information	...	3,900
Grant-in-aid to Poona City Municipality (S. E., Public Health).	...	52,800
Commissioner in Sind	...	7,000
Commissioner, C. D.	...	3,000
Deputy Commissioner, Upper Sind Frontier	...	8,000
Collector, Karachi	...	5,000
Do. Thar Parkar	...	4,000
Do. Nawabshah	...	3,000
Do. Hyderabad	...	6,700
Do. Larkana	...	13,500
Do. Sukkur	...	3,400
Do. Panch Mahals	...	5,400
Do. Ahmednagar (regrouping of Talukas)	...	45,000
Do. East Khandesh	...	12,300
Carried over	...	8,43,200

APPENDIX B—(*contd.*)

			Rs.
	Brought forward	...	8,43,200
Collector, Nasik		...	23,000
Do. Sholapur		...	2,400
Do. Poona		...	29,800
Do. Satara		...	17,900
Do. West Khandesh		...	2,100
Do. Ratnagiri		...	7,800
Do. Bijapur		...	10,900
Do. Belgaum		...	8,000
Do. Kanara		...	1,300
Do. Dharwar		...	15,000
Do. Bombay	3,500 10,400	...	13,900
Court of Small Causes, Karachi		...	2,600
Chief Judge, Small Cause Court, Bombay		...	4,500
District Judge, Nadiad		...	1,800
Do. Surat		...	2,300
Do. Sukkur		...	2,100
Do. Hyderabad		...	400
Do. Ahmednagar		...	9,800
Do. Bijapur		...	1,000
Do. Ratnagiri		...	600
Do. Dharwar		...	11,000
Additional Joint Sub-Judge, West Khandesh		...	1,300
	Total	...	10,12,700

APPENDIX C

Total Savings

		Rs.
Shown in Appendix B	...	10,12,700
Public Works Department—		
Irrigation	...	3,36,400
Roads and Buildings	...	2,54,000
Civil Works etc. (para. 9)	...	1,54,300
Excise Department	...	53,700
Forest Department	...	1,36,300
Grants to District Local Boards	...	15,000
Home Department—		
Travelling allowance and Bhatta to witnesses	...	35,000
Remembrancer of Legal Affairs—fees to Public Prosecutors.		12,400
Peshwa's Daftar	...	5,000
Curator, Satara Museum	...	1,700
Education—		
Scholarships	...	50,000
*Ismailia College	...	19,000
Stipends to teachers	...	2,500
5 per cent cut in Grants—University and Secondary	...	2,07,800
Reforms	...	3,00,000
Discretionary grants	...	1,00,000
Repairs to Buildings grants	...	1,70,000
		28,65,800

* This provision has been made in the current year's budget. But there is prospect that the expenditure may be met from the endowment fund itself. This amount is therefore expected to be saved.

APPENDIX D

Statement "A" showing the Present and Proposed Time-Scales of Pay of Class I and Class II Services employed in Transferred Departments

SERVICE.	Present Scale.			Proposed Scale.			Remarks.
	Class I.		Class II.	Class I.		Class II.	
Agriculture * Forest * Veterinary * ...	320–40–1,200		250–20–750	300–25–400–30–550–35–760–40–1,000		200–15–320–20–600	
Public Works Department* ...		Junior	Senior		Junior	Senior	
	1st year ...	320	...		300	...	
	2nd ,, ...	360	...		325	...	
	3rd ,, ...	400	...		450	.	
	4th ,, ...	400	440		350	375	
	5th ,, ...	440	480		375	400	
	6th ,, ...	480	520		400	430	
	7th ,, ...	520	560		425	460	
	8th ,, ...	520	600		450	490	
	9th ,, ...	560	640		480	520	
	10th ,, ...	600	680		510	550	
	11th ,, ...	640	720	250–20–750	540	585	200–15–320–20–600
	12th ,, ...	680	760		570	620	
	13th ,, ...	720	800		600	655	
	14th ,, ...	760	840		630	690	
	15th ,, ...	800	880		660	725	
	16th ,, ...	...	920		...	760	
	17th ,, ...	...	960		...	800	
	18th ,, ...	...	1,000		...	840	
	19th ,, ...	...	1,040		...	880	
	20th ,, ...	...	1,080		...	920	
	21st ,, ...	...	1,120		...	960	
	22nd ,, ...	...	1,160		...	1,000	
	23rd ,, ...	...	1,200		...	...	

Education (men) * ...	320–40–1,200	250–20–650	300–25–400–30–550–35–700–40–1,000	200–15–320–20–600
Education (women) * ...	320–25–770	200–10–340–15–400	300–25–700	200–10–340–15–400
		Men		*Men*
Medical * ...	400–40–1,200	200–40/3–400–50–450	350–30–500–40–1,100	200–20/2–320–20–440
		Women		*Women*
		250–40/3–450–50–500		200–20/2–300–25/2–375–25–450
Co-operative Societies.				
Assistant Registrars † ...		250–20–750		200–15–320–20–600

* Scales proposed by Finance Department under these heads were approved by the Committee (*vide* Minutes of Wednesday, April 15, 1931).

† Maximum of 600 proposed by Finance Department was generally approved.

Statement "B" showing the Present and Proposed Pay for Selection Grades and Administrative Posts above the Time-scales of Class I and Class II services employed in Transferred Departments

SERVICE.	Present Scale.		Proposed Scale.		Remarks.
	Class I.	Class II.	Class I.	Class II.	
Agriculture ...	*Selection Grade* 1,200-50-1,350	Nil.	*Selection Grade* 1,000-40 (or 50)-1,200		
Post of Director of Agriculture.*	1,600-50-1,800		Same as at present approved.		
Forest—					
Conservator† ...	1,450-75-1,750	Nil.	Do.		
Chief Conservator‡ ...	2,000-100-2,200	Nil.	Do.		
Engineering—					
Superintending Engineers.†	1,450-75-1,750	Nil.	Do.		
Chief Engineers‡ ...	2,000—100—2,100—200-2,500	Nil.	Do.		
Veterinary ...	*Selection Grade* 1,200-50-1,350	Nil.	*Selection Grade* 1,000-40 (or 50)-1,200		
Education (Men) ...	*Lower Selection Grade* 1,200-50-1,350 *Higher Selection Grade* 1,400-50-1,500	*Selection Grade* 650-30-800	*Same as present.*	*Selection Grade* 600-25-700	
Education (Women) ...	*Selection Grade* 800-25-1,000	*Selection Grade* 400-25-500	650-25-850	400-25-500	

Medical	...	*Lower Selection Grade* 1,200–50–1,350 *Higher Selection Grade* 1,400–50–1,500		*Same as at present.*	
Surgeon-General‡	...	2.000—100—2,100—200—2,500		Do.	
Civil Surgeons	...		500–50–900 *Selection Grade* 1,000		450–30–510–40–750 *Selection Grade* 850 or 500–40–860 without selection grade.

* Committee approved of a scale of 1,450–50–1,750.

† For these officers, a scale of 1,250–50–1,500 was approved by the Committee.

‡ For these officers and the Director of Public Instruction, the Committee approved of a scale of 1,600–100–2,000.

The Committee agreed that both Deputy Collectors and Sub-Judges should rise to a maximum of Rs. 800, and that the lower scales should be revised on the lines of other services.

With reference to the I.C.S., the Committee were of opinion that the Senior Scale for Collectors should go to about Rs. 1,500. Commissioners should get Rs. 2,000–2,500.

SCHEDULE I

The diet allowance given at present to witnesses and complainants is governed by High Court Circulars. It varies according to circumstances. But the maxima are as follows:—

(i) witnesses of the class of smaller cultivators and labourers; annas 8 per diem;

(ii) witnesses of higher class; Re. 1 per diem;

(iii) witnesses of superior class; Rs. 3 per diem.

Note.—Class (i) will generally include smaller cultivators and labourers; class (ii) patils, ordinary landowners, clerks, artisans and men of business and professional men, etc.; class (iii) will comprise European, East India and Indian gentlemen, large landowners, professional men of high position and the like.

The Committee have agreed that these scales should be reduced thus:—

For Class I, above	...	Re. 0- 6-0 per diem.
For Class II, above	...	,, 0-12-0 ,,
For Class III, above	...	Rs. 2- 4-0 ,,

Scales for Bombay City are slightly different from these scales. On a proportionate reduction, they would be as follows:—

Class I	..	Rs. 1-8-0 per diem.
,, II	...	,, 3-0-0 ,,
,, III	...	,, 6-0-0 ,,

Travelling allowances given at present for the above three classes are as follows:—

(*i*) when the journey is by road, the actual expenses incurred, provided the same be reasonable;

(*ii*) when the journey is wholly or partly by rail or steamer:—

(*a*) witnesses of class (*i*) above: third class railway or steamer fare;

(*b*) witnesses of class (*ii*): second or intermediate class railway or steamer fare according to the discretion of the Court;

(*c*) witnesses of class (*iii*): first or second class railway or steamer fare according to the discretion of the court.

The Committee agree that under (*b*) of class (*ii*) above "intermediate, or if not available, third class railway or steamer fare" should be substituted for "second or intermediate"; and that under (*c*), witnesses of class (*iii*) should be given first class fare only in exceptional cases for which reasons should be given.

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To be attached to the Ad Interim Report of the Retrenchment Committee, 1931

Note.—The following minute of dissent should be read as a correction to paragraph 33 of the Report.

Minute of Dissent by Khan Bahadur Allahbaksh

The main report does not accurately represent my views either on the principles to which I would subscribe or on the rate that I would apply in effecting reduction of salaries of Government servants.

I disapprove of the application of the principle that the larger the salary the higher should be the rate of reduction effected. That principle rests on the one which postulates that the burden should fall on such shoulders as can bear it. This is undoubtedly a very sound principle in taxation, but it would be iniquitous to regard the reduction of salaries of Government servants as a tax. The policy of paying various grades of salaries to various officers or various groups of officers is in recognition of the intrinsic worth of the higher paid man. Special qualifications, better capacity and ability earn him a higher salary, and to inflict upon him a higher percentage of reduction is nothing short of penalizing such special qualifications and such better capacity and ability. If the reduction of salary is an emergency measure, and it is only on that basis that it has my support, then the rate of reduction should be uniform throughout the entire rungs of the service.

My second objection is a corollary to my first. I object to any branch of the service however high paid or however low paid being exempted from the purview of this emergency measure. I therefore do not agree to exempt the lower paid staff of Government from the scheme of reduction of salaries. It is not as if the small salaried man is equivalent to an underpaid man and the big salaried man to an overpaid one. The principle is that the labourer is worthy of his hire and conversely that for the given salary you have got the corresponding calibre or grade of servant. If therefore there is to be a reduction of rate of salary in any one grade there is no reason whatsoever why any other grade should escape it. If the idea underlying the proposal to exempt the low paid man is that he is underpaid, I would be in favour of so revising his pay that he gets his due value.

I therefore stand by the general principle that reduction of salary is an emergency measure and as such should apply to all equally and at the same rate. Under the present circumstances I recommend a uniform cut of 5 per cent.

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No. 2. With reference to paragraph 20 I consider that the Minister should not be reduced unless the members are also reduced.

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on 10 January, 2019